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May 24, 2007

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Petition of ACS of Anchorage, Inc. Pursuant to Section 10 of the Communications Act of 1934, as amended (47 U.S.C. 160(c)), for Forbearance from Certain Dominant Carrier Regulation of Its Interstate Access Services, and for Forbearance from Title II Regulation of Its Broadband Services, in the Anchorage, Alaska, Incumbent Local Exchange Carrier Study Area, WC Docket No. 06-109 -- Ex Parte Notice*

Dear Ms. Dortch:

On May 23, 2007, Leonard Steinberg and Tom Meade of Alaska Communications Systems Group, Inc. ("ACS"), and Karen Brinkmann, Elizabeth Park and Anne Robinson of Latham & Watkins LLP, met with Jeremy Miller, Tim Stelzig, Deena Shetler, Jay Atkinson, Denise Coca, Gail Cohen, Christi Shewman and Doug Slotten of the Wireline Competition Bureau, regarding the above-referenced proceeding.

In the meeting, ACS reiterated the need for relief from certain aspects of dominant carrier regulation that ACS sought in its petition. ACS's primary competitor in Anchorage, General Communication, Inc. ("GCI"), has greater retail market share than ACS. ACS seeks to be regulated comparably to a CLEC in certain respects. In particular, ACS requested relief to provide certainty with respect to switched access rates, similar to the relief granted to Qwest in Omaha. *See Petition of Qwest Corporation for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Omaha Metropolitan Statistical Area*, Memorandum Opinion and Order, 20 FCC Rcd 19415 ¶¶ 40-41 (2005). Additionally, ACS emphasized the need for flexibility in special access rates given the high levels of competition in Anchorage's business and residential markets. In certain instances, ACS has been unable to quickly respond to pricing and service terms offered by its competitor because ACS is constrained by dominant carrier tariffing requirements.

As the Commission has already determined, GCI successfully serves Anchorage's business customers. *See Petition of ACS of Anchorage, Inc. Pursuant to Section 10 of the Communications Act of 1934, as Amended, for Forbearance from Sections 251(c)(3) and*

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252(d)(1) in the Anchorage Study Area, Memorandum Opinion and Order, 22 FCC Rcd 1958 ¶ 28 (Jan. 30, 2007). GCI's extensive fiber optic network, for example, ensures that it can offer high-capacity and complex services to businesses. *See, e.g., id.* ¶ 36 & n.121. Thus, unlike in the *Qwest Order*, where the data was insufficient to establish that the Omaha MSA's enterprise market warranted relief, Anchorage's business market has been recognized to be highly competitive. Further, GCI continues to be dominant, as it always has been, in the Anchorage broadband market.

ACS seeks relief in the entire Anchorage study area and urges the Commission to define the geographic market as the Anchorage study area. A more granular definition would be inconsistent with the Commission's determination in the *Qwest Omaha Order* and could present operational burdens if relief were granted only in certain portions of the study area.

ACS noted that GCI is the only party providing service in Alaska that has participated in the forbearance proceeding. GCI's comments focused on its concerns about UNE access in Anchorage. This issue is now moot in light of the parties' recent interconnection agreement, which obligates ACS to make UNEs available throughout the Anchorage study area for the near future.

Attached are copies of materials provided to the meeting participants. The Commission requested that ACS update and supplement the data on the record, which ACS will do shortly. Please contact me if you have any questions regarding this submission.

Respectfully submitted,

/s/

Karen Brinkmann

Counsel to ACS of Anchorage, Inc.

Enclosures

cc: Jeremy Miller
Tim Stelzig
Deena Shetler
Jay Atkinson
Denise Coca
Gail Cohen
Christi Shewman
Doug Slotten

Ms. Marlene H. Dortch
May 24, 2007
Page 3

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